



# Capital Improvement Projects

## Community Meetings

### Summer 2012



**Santa Fe County**  
**Public Works Department**

# AGENDA

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- ✗ Overview of the Public Works Department
- ✗ Capital Improvement Projects Planning Process
  - + What is a “capital project”?
  - + Obtaining Public Input
  - + Funding Sources
- ✗ Capital Needs Project Master List
  - + Adding Projects to the List
  - + Prioritizing Projects on the List
- ✗ Capital Projects Funding Request to the NM Legislature – Infrastructure Capital Improvement Plan (ICIP)
- ✗ November 6<sup>th</sup> General Obligation Bond Election
- ✗ November 6<sup>th</sup> Ballot: ¼% Fire Protection Excise Tax

# What does Public Works do?

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## Provide, Operate, and Maintain County Land, Facilities, and Infrastructure

- ✘ **Roads:** Maintaining the existing paved and unpaved road network (grading, paving, signage, lighting, etc.), constructing new roads, snow removal, drainage and erosion control.
- ✘ **Water and Wastewater Utility:** Operate and maintain the County's potable water utility. Operate wastewater treatment facilities. Conduct County-wide water management planning and technical investigations. Water conservation assistance.
- ✘ **Solid Waste and Recycling:** Operate refuse and recycling convenience centers throughout the County, enforce the Solid Waste Ordinance (e.g. illegal dumping), conduct public outreach and education, administer special clean-up programs and collection events



# Public Works Department - Continued

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- ✘ **Parks, Open Space and Trails:** Expand, operate and maintain existing network. Plan for new parks, open space and trail facilities.
- ✘ **County Buildings:** Construct, renovate and operate all County facilities (downtown Administration Building, County Courthouse, adult and youth detention centers, fire stations, Public Safety/Sherriff's Complex, etc.)
- ✘ **Renewable Energy and Energy Efficiency:** Implement cost-effective renewable energy (e.g. solar) and energy efficiency improvements at existing County facilities and all operations. Provide outreach, education and technical assistance to the commercial and residential sectors

# What is a “capital project”?

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- ✘ How does a capital project differ from an “operation and maintenance” (O&M) project?
- ✘ No bright line between the two. Generally:
  - + Capital projects: add capacity, functionality, value (new road, paving or “chip sealing” a dirt road, new water line, new senior center, new park or trail)
    - ✘ Paid for from a variety of funding sources
  - + O&M projects: maintains, preserves or replaces existing facilities
    - ✘ Paid for annually out of the General Fund
    - ✘ Comprehensive O&M can save money over the long-term.



# County Capital Facilities



Herrera Courthouse (under construction)

Stanley Solid Waste  
Convenience Center (2010)



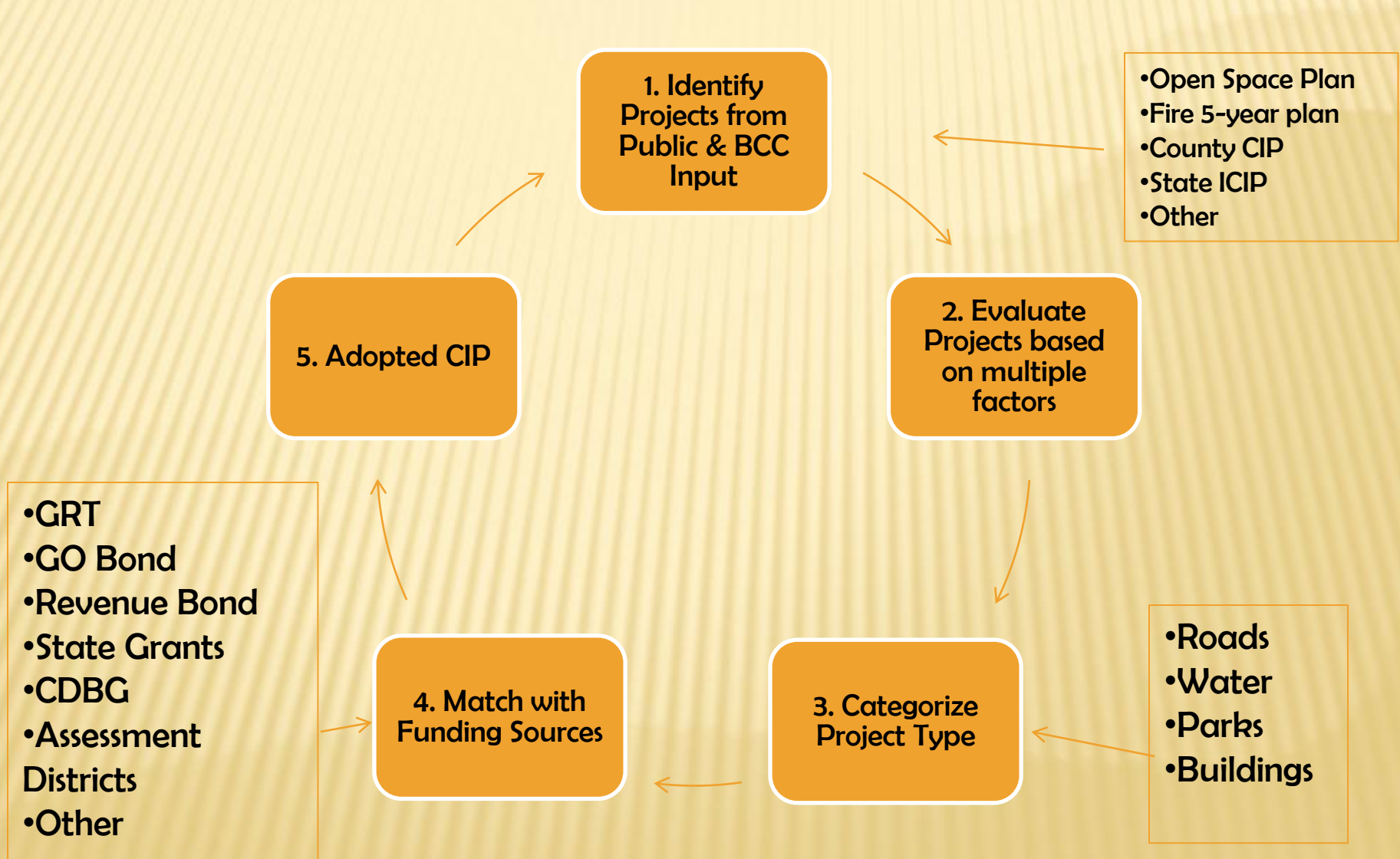
El Camino Real Park (under construction)



South Meadows Rd. Extension (2011)



# CIP Development Process



# Sources of Capital Funds

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## County Sources

- ✗ General Obligation Bonds (property tax-funded)
- ✗ Revenue Bonds
- ✗ General Fund Capital Package
- ✗ ¼-cent GRT
- ✗ Assessment Districts

## State and Federal Sources

- + Legislative Capital Outlay – linked to NM Dept. of Finance and Administration's Infrastructure Capital Improvement Plan (ICIP)
- + NM Water Trust Board
- + NM Environment Department
- + NM Department of Transportation
- + Federal Community Development Block Grants (CDBG)
- + USDOT: The County just received a \$657,000 grant for pavement preservation initiatives. Only 83 of 600 applicants received awards!



# Developing the CIP: Obtaining Public Input

- Community Meetings: Commissioner Town Halls, Staff Community Meetings (like tonight!)
- Citizens Committees: Road Advisory Committee, Solid Waste Task Force, Sustainable Growth Management Plan and Code
- Board of County Commissioners regular meetings (Tuesdays)
- Commissioner's One-on-One Feedback from Constituents
- Santa Fe County Priorities Survey (July 2010)
  - Q: "What are the biggest issues or problems facing the residents of Santa Fe County at this time?"
  - #1 Response – "Roads/ streets not kept up / are in bad shape"
  - #2 Response – "Water shortage / water supply"
  - 68% rated parks and recreation services as High or Very High priority when planning the County's budget
- Public Works Department: Web Site and direct contact with staff

# Two Major Sources of Funding for Capital Projects: Gross Receipts Tax and General Obligation Bonds

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## Gross Receipts Tax

- ¼% Capital Gross Receipts (Sales) Tax: 2 ½ ¢ on a \$10 purchase.
- Generates approximately \$8 million/year for projects. (\$3M committed to the Buckman water project.)
- Funding is “pay-as-you-go” (no borrowing involved)
- County established a 2 year planning cycle for GRT projects
- Current cycle: Fiscal Year (FY) 2013 & FY 2014 (July 2012-June 2014)
  - \$33 million available
  - June 26<sup>th</sup>: Commission approved \$10.7 million in “Quick Start” capital projects. Projects are under development (see list)
  - July 31<sup>st</sup>: Commission approved \$22.3 million in future projects
- FY15 through FY16 estimated \$10M available for additional capital projects

# General Obligation Bonds

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- General Obligation (GO) Bond Cycle every 4 years (2004-08 , 2008-12, 2012-16, 2016-2020, etc.)
- G.O. Bonds (loans) are paid for with revenue from property taxes
- July 31<sup>st</sup>: Commission approved placing 3 Bond Questions on the November 6<sup>th</sup> General Election Ballot and approved a list of proposed projects (see list) – up to \$35 million total.
  - Question 1: Up to \$19 million for roads
  - Question 2: Up to \$10 million for water and wastewater infrastructure
  - Question 3: Up to \$6 million for open space, trails and parks
- If approved by voters, the bonds are expected to be “sold” in early 2013 (\$20M) and FY15 (\$15M)
- Since past bonds are periodically “retired” (paid off), approval of the 3 Bond Questions *will not raise the County’s property tax rate.*



# Capital Needs Master List

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- ✖ Public Works Dept. maintains a master list of capital project needs. (Available for review)
- ✖ Adding Needs/Projects to the Master List – may be initiated by Staff, Commissioners, Public
  - + “Capital Needs Request” Form
- ✖ Currently on the Master List: 300 projects totaling over \$350 million in needs!
- ✖ Clearly (and unfortunately), capital needs far exceed available funding.
- ✖ Need a process to prioritize projects on the list.

# Capital Needs Master List Prioritization Criteria

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- + Status – “shovel ready” or not
- + Funding Leverage – with other sources of \$\$
- + Location – with respect to designated growth areas
- + Lifecycle costs – annual O&M expenditures
- + Economic Development – job creation
- + Mandatory/Risk – regulatory compliance (e.g. federal drinking water standards)
- + Existing Policies/Plans – consistency, satisfying a specific policy or plan directive
- + Multiple Commission Districts – widespread benefits
- + District Priority – as determined by Commissioner

# State of NM: Infrastructure Capital Improvement Plan (ICIP) Requirement

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- ✗ Dept. of Finance and Administration requires local governments to annually submit an ICIP in order to be considered for capital outlay funding in the NM Legislative Session. SF County's Capital Needs Master List is its ICIP.
- ✗ ICIPs are due to DFA by Oct. 1, 2012.
- ✗ A public input process is required.
- ✗ Review of capital projects on the list for this Commission District.
- ✗ Process for adding projects to the list. County staff are available to provide assistance.



# 1/4% Fire Protection Excise Tax – Nov. 6<sup>th</sup> Ballot

Chief David Sperling, Santa Fe County Fire Department



- ✗ Purpose: Finance Fire and Emergency Medical Services Capital Expenses
- ✗ Fund: essential maintenance and improvements to 32 fire stations. Replace: fire trucks, ambulances, firefighting and medical equipment, protective gear for firefighters and paramedics
- ✗ Cannot be used for salaries or benefits.
- ✗ Tax: 1/4% gross receipts (sales) tax in unincorporated County (i.e. not within City limits)
  - + 1/4% equates to 25¢ on a \$100 purchase
- ✗ Revenue Generated: Approximately \$1.24 million/yr



# Your input is important!

- ✘ It's your tax dollars at work. We need to hear your comments, questions, and concerns.
- ✘ Thank you for attending tonight!
- ✘ [www.santafecounty/public\\_works](http://www.santafecounty/public_works)  
You may download a Capital Needs Request form from this site.